



William E. Taggart, Jr. (SBN 41134)  
 William E. Taggart, Jr.,  
 A Professional Corporation  
 300 Frank H. Ogawa Plaza, Suite 370  
 Oakland, CA 94612  
 Telephone: (510) 893-9999  
 Facsimile: (510) 893-9980  
 Email: [wetaggart@wtjrlaw.com](mailto:wetaggart@wtjrlaw.com)  
 Counsel for Salmon Ventures, LLC

N. Jerold Cohen (GA SBN 174700)  
 Joseph Depew (GA SBN 218870)  
 Sutherland Asbill & Brennan, L.L.P.  
 999 Peachtree Street NE  
 Atlanta, GA 30309  
 Telephone: (404) 853-8000  
 Facsimile: (404) 853-8163  
 Email: [jerry.cohen@sablaw.com](mailto:jerry.cohen@sablaw.com)  
[joe.depew@sablaw.com](mailto:joe.depew@sablaw.com)  
 Counsel for Salmon Ventures, LLC

IN THE UNITED STATES DISTRICT COURT FOR THE  
 NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO DIVISION

TWENTY-TWO STRATEGIC  
 INVESTMENT FUNDS; and  
 PRESIDIO GROWTH LLC  
 (Tax Matters Partner),

Petitioners,

v.

UNITED STATES OF AMERICA,

Respondent.

Case No. C-05-2835 JW

**STIPULATION FOR DISMISSAL OF  
 INTERVENOR SALMON  
 VENTURES, LLC; APPROVAL AND  
 CONSENT TO DISMISSAL AND TO  
 ENTRY OF ORDER; and  
 [PROPOSED] ORDER**

Honorable James Ware, Chief Judge

The interested parties hereto stipulate hereby to the dismissal of Intervenor Salmon Ventures, LLC ("Salmon Ventures") for lack of jurisdiction, and to the entry of an order of dismissal of Salmon Ventures as a party to the within action for lack of jurisdiction. All

1 interested parties approve the dismissal of Salmon Ventures, and consent to the entry of an order  
2 of dismissal.

3 As the factual foundation for an entry of an order for the dismissal of Salmon Intervenor  
4 from the within action for lack of jurisdiction, Salmon represents and states as follows:

5 1. Salmon Ventures is a limited liability company organized under the laws of the  
6 State of Delaware.

7 2. Salmon Ventures is, and was during the periods relevant hereto, the sole Class B  
8 member of Jefferson Strategic Investment Fund LLC ("Jefferson LLC").

9 3. Presidio Growth LLC ("Presidio") is, and was during the periods relevant hereto,  
10 the managing member of, and the Tax Matters Partner of, Jefferson LLC..

11 4. The Internal Revenue Code of 1986 ("IRC") provides special procedural rules,  
12 which are commonly known as the TEFRA rules, for the Internal Revenue Service to make  
13 adjustments to the income tax liabilities of certain partnerships. *See* IRC §§ 6221, *et. seq.*

14 5. An adjustment to the income tax liability of a partnership pursuant to the TEFRA  
15 rules is proposed in a notice of proposed adjustment which is referred to as a Notice of Final  
16 Partnership Administrative Adjustment ("FPAA").

17 6. A Tax Matters Partner, such as Presidio, may file a petition for readjustment  
18 pursuant to IRC §6226(a) in United States District Court within 90 days after the date of issuance  
19 in response to an FPAA.

20 7. This case was brought by Presidio Growth LLC ("Presidio"), as the Tax Matters  
21 Partner of twenty-two partnerships subject to the TEFRA rules, to challenge proposed  
22 adjustments to the income tax liabilities of said partnerships.

23 8. Salmon Ventures was one of the twenty-two partnerships to which the Internal  
24 Revenue Service issued an FPAA to Presidio.

25 9. On June 27, 2005, the Internal Revenue Service issued an FPAA to Presidio and  
26 Salmon Ventures concerning Jefferson LLC's tax year ended May 22, 2000.

27 10. Presidio timely brought this action pursuant to IRC §6226(a).

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11. Under IRC §6226(c), where a Tax Matters Partner brings a proceeding for judicial review of an FPAA, "each person who was a partner in such partnership at any time during such year shall be treated as a party to such action," and "the court having jurisdiction of such action shall allow each person to participate in the action."

12. On December 12, 2005, this Court granted the motion of the Salmon Ventures to intervene in this case pursuant to IRC §6226(c). Docket, No. 15.

13. A partner must have an interest in the outcome of a TEFRA action in order to be treated as a party to, and to participate in, the action as an intervenor pursuant to IRC §6226(c).

14. The partnership items of a partner must not have become non-partnership items by reason of events described in IRC §6231(b) in order for a partner to have an interest in the outcome of a TEFRA proceeding such as this action.

15. At the date Salmon Ventures intervened in this case, no event described in IRC §6231(b) had occurred with respect to Salmon Ventures.

16. On a date after Salmon Ventures intervened in this case, the Internal Revenue Service entered into a final closing agreement with Salmon Ventures that addressed all tax issues relating to the partnership items of Salmon Ventures.

17. As of the date of the closing agreement, the partnership items of Salmon Ventures ceased to be "partnership items," as defined in IRC §6226(a)(3) as a consequence of the closing agreement.

18. As of the date of the closing agreement, Salmon Ventures may no longer be treated as a party to, and may no longer participate in, this proceeding by virtue of IRC §6226(d).

19. This Court no longer has jurisdiction to adjudicate as to Salmon Ventures as it no longer has an interest in the outcome of this judicial proceeding.

20. The other Intervenors in the within action do not object to the dismissal of Salmon Ventures as a party.

Based upon the foregoing, Salmon Ventures respectfully requests the Court enter an order pursuant to Federal Rule of Civil Procedure 41(a)(2) dismissing Salmon Ventures for lack of

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jurisdiction based on Internal Revenue Code §6226(d).

Dated: August 17, 2012

WILLIAM E. TAGGART, JR.  
A PROFESSIONAL CORPORATION

By: /s/ William E. Taggart, Jr.  
Attorney for Intervenor  
Salmon Ventures, LLC

Presidio Growth, LLC; and the United States of America, by and through their undersigned counsel, approve, and consent to, the dismissal of Salmon Ventures.

/s/ Steven M. Bauer  
STEVEN M. BAUER  
Latham & Watkins  
Attorney for Petitioners

/s/ Adair F. Boroughs  
ADAIR F. BOROUGHES  
Trial Attorney  
Tax Division, US Department of Justice  
Attorney for Respondent

ATTESTATION OF FILING

Pursuant to N.D. Cal. General Order 45, Section 45(X)(B), I, William E. Taggart, Jr., attest that concurrence in the filing of this document has been obtained by all of the signatories hereto.

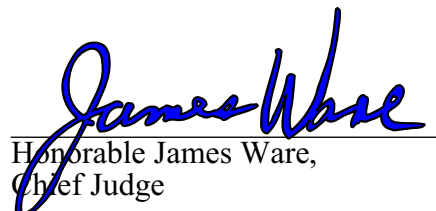
WILLIAM E. TAGGART, JR.  
A PROFESSIONAL CORPORATION

By: /s/ William E. Taggart, Jr.  
Attorney for Intervenor  
Salmon Ventures, LLC

**[PROPOSED] ORDER**

PURSUANT TO THE STIPULATION, CONSENT, AND APPROVAL OF THE PARTIES, IT IS SO ORDERED.

Dated: August 20, 2012

  
Honorable James Ware,  
Chief Judge